

Real Estate Initiative Update

The ACE Initiative

Governor Doyle has made streamlining state government and realizing cost savings a top priority. The ACE Initiative, led by DOA, is designed to drive these improvements across the enterprise in the areas of human resources, information technology, procurement, financial management and budgeting, and real estate portfolio management. The estimated savings, that can benefit the general fund/budget stabilization fund, is \$103 million in 2005-07 and \$110 million in 2007-09.

What's Happening Now

In step with the ACE initiative, the Division of State Facilities (DSF) is leading the real estate effort to generate \$36 million in revenue through asset disposition and \$4.2 million in statewide operational savings. To accomplish this goal, DOA has temporarily engaged Equis Corporation to help DSF identify and implement improvements in real estate management and to identify assets that are appropriate for sale. Our first steps include:

- Implementing Portfolio Management capabilities to manage our assets and occupancies as a whole and using tools such as Total Cost of Occupancy and Strategic Portfolio Planning to make decisions.
- Enhancing Strategic Planning by establishing governance, with agency participation, and proactively managing our investments.
- Improving technology tools by investing in new technology solutions to establish a complete and cohesive information management system.
- Re-aligning DSF to provide improved services, and implementing a Performance Management & Continuous Improvement Program to insure effective and efficient service delivery and customer satisfaction.
- Identifying cost saving and revenue generating opportunities by implementing market negotiation strategies in leases and rebalancing our portfolio by disposing of surplus non-core assets.

We look forward to working together to achieve the benefits that this initiative will bring to State government and the people of Wisconsin.

Real Estate Terms & Definitions and **Frequently Asked Questions (FAQ)** documents relative to this project can be accessed on the ACE website at <http://ace.wi.gov>

For more information regarding this initiative please contact our **project management office at: ace.realestate@doa.state.wi.us**

Critical Milestones

- July –Aug 2005** Convene Inter-Agency Governance Teams
- July – Aug 2005** Gather Input from Customers, Partners, Stakeholders and Best Practices for Improved Services
- Sept 2005** Establish Enhanced DSF Service Delivery Model
- Sept - Oct 2005** Re-engineer Business Processes and Implement Performance Management Plan
- Oct 2005** Define Business Requirements for Consolidated Technology Solution
- Jan 2006** Begin Implementation and Integration of New IT Solution
- Apr 2006** Fully Integrate Portfolio Management Program and Improved Services
- July 2007** Goal Accomplished - \$36M in Asset Sales and \$4.2M in Operational Savings

Real Estate Goals

Progress to Date

